



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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July 26, 1999

Frank Fossey
Radiation Safety Officer
Rio Algom Mining Company
P.O. Box 1269
Moab, Utah 84532

Re: Acceptance of Proposed Hole Plugging Protocol, Rio Algom Mining Company, Lisbon Mine, M/037/001, San Juan County, Utah

Dear Mr. Fossey:

The Division has completed a review of your proposed hole plugging procedure received July 13, 1999, and the additional information you sent by fax on July 16, 1999. The proposal describes approximately 118 drill holes to be plugged. You stated most of these holes were drilled in the late 1960s to early 1970s, consequently, the Division has no notice on file describing these holes. The proposal includes an inventory of the holes describing each hole location by township, range and section, and also by a coordinate system. The inventory describes whether the hole was wet or dry, hole diameter, casing type, depth of hole, and depth of water if applicable. The proposal refers to these holes as "wells;" however, it is believed that these were exploration drill holes rather than wells.

The use of the dry granular bentonite product known as "Holeplug" for plugging holes which encounter nonartesian water is a deviation from the Division's standard hole plugging rules. Mr. Ron Wells of Baroid Industrial Drilling Products was contacted by the Division and was very helpful in discussing the applications and characteristics of this product.

This hole plugging proposal is acceptable to the Division, with the following conditions:

Please clarify/confirm that these are drill holes and not "wells" as named in the proposal. "Wells" may require an entirely different plugging procedure.

In using the "Holeplug" product, Rio Algom must agree to:

- (1) Follow the manufacturer's recommendations for use.
- (2) Use the 3/8-inch product for plugging of all wet holes and for holes with a diameter of 4-inches or less (the 3/4-inch product may be used for plugging holes greater than 4-inches in diameter).

Page 2
Frank Fossey
M/037/001
July 26, 1999

- (3) Use a screen to separate the smaller particles out from the material going into the holes.
- (4) Pour the material into the holes slowly to avoid bridging.
- (5) Use the drill hole summary to verify there was no bridging in the hole (i.e. use hole depth to determine approximate number of bags of material needed).
- (6) Inform the Division of the planned work schedule so a site inspection may be scheduled to observe the hole plugging.

During our phone discussions, you mentioned that some of these holes are located on BLM lands. Although most of these holes were probably created prior to the enactment of BLM regulations, you may also need approval or acknowledgment from the BLM before plugging holes on BLM land. If you have not already done so, I would suggest you contact Sal Venticinque at the BLM Moab Field Office regarding this proposal.

Thank you for your continued cooperation. If you have any questions regarding this letter please call me at (801) 538-5267.

Sincerely,



Anthony A. Gallegos
Senior Reclamation Specialist

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cc: Sal Venticinque, BLM Moab FO
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